

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2017 – HB 2008

March 23, 2009

SUMMARY OF BILL: Authorizes the HOPE Scholarship for certain transfer students who are children of divorced parents, one of whom is domiciled in Tennessee, when the students are admitted to and enrolled in an eligible postsecondary institution no later than 16 months following high school graduation or receiving their GED, and such students meet all other academic eligibility requirements for receiving the HOPE Scholarship.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$478,000 in FY09-10 and by \$492,000 in FY10-11.

Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) projects 129 students will qualify in FY09-10.
- TSAC projects that 85 percent (110) will attend eligible four-year institutions; 15 percent (19) will attend eligible two-year institutions.
- Students attending four-year institutions receive an award of \$4,000 per year; students attending two-year institutions receive an award of \$2,000 per year.
- The increase of expenditures from lottery proceeds for FY09-10 is estimated to be \$478,000 $[(110 \times \$4,000) + (19 \times \$2,000) = \$478,000]$.
- TSAC projects three percent growth of students for FY10-11; therefore 133 students will qualify in FY10-11.
- TSAC projects that 85 percent (113) will attend eligible four-year institutions; 15 percent (20) will attend eligible two-year institutions.
- The increase of expenditures from lottery proceeds for FY10-11 is estimated to be \$492,000 $[(113 \times \$4,000) + (20 \times \$2,000) = \$492,000]$.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/rnc